



IPO Note

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# BMW VENTURES LIMITED

Sep 24<sup>th</sup>, 2025



Sep 24<sup>th</sup>, 2025**Details of the Issue**

Price Band	₹ 94 - ₹ 99
Issue Size	₹ 231.66 Cr
Face Value	₹ 10
Bid Lot	151
Listing on	BSE,NSE
Post Issue Mcap	₹ 858.48 Cr
Investment Range	₹ 14,194 - ₹ 14,949

**Important Indicative Dates (2025)**

Opening	24 - Sep
Closing	26 - Sep
Basis of Allotment	29 - Sep
Refund Initiation	29 - Sep
Credit to Demat	30 - Sep
Listing Date	01 - Oct

**Lead Manager**

Sarathi Capital Advisors Pvt Ltd

**Offer Details**

Offer Size	₹ 231.66 Cr
Fresh Issue	₹ 231.66 Cr
OFS	-

Type	In Rs Cr	No of Shares (Mn)		% of Issue
		Upper	Lower	
QIB	23	0.23	0.25	1
NII	56	5.62	5.91	24
Retail	174	17.55	18.48	75
Em-ploy.	-	-	-	-
Total	232	23.40	24.64	100

**Invest Now****Company Profile**

BMW Ventures Limited is engaged in trading and distribution of steel products, tractor engines and spare parts, along with manufacturing of PVC pipes, roll forming, and fabrication of pre-engineered buildings (PEB) and steel girders. Its product portfolio includes TMT bars, GI sheets, HR sheets, wire rods, galvanized color coated sheets, doors, GP sheets, pipes, hollow sections, screws, and other steel-related products. The company also distributes tractor engines and spare parts in Bihar as part of its diversification strategy. Backed by six stockyards one in Purnea and five in Patna it supplies steel products through 1,299 dealers, catering to 29 of 38 districts in Bihar with a strong network of over 1,250+ dealers. As of March 31, 2025, BMW Ventures Limited has a workforce of 639 employees.

**GEPL's Insights & Investment Thesis:**

- BMW Ventures Ltd generated 98.5% of its revenue from Bihar and only one supplier accounts for 96.2% of the total purchase. This creates concentration risk for the company.
- The company delivered a muted financial performance with Revenue/EBITDA/PAT growing at a CAGR of 1%/12%/0.3% between FY23-25.
- Based on the FY25 earnings, relative to the company's post-IPO paid up capital, the issue is priced at a P/E ratio of 26.2x. We believe that the company is overly valued compared to its growth prospects and has delivered modest financial performance over the last three years. Therefore, we recommend a **"Avoid"** rating for the issue.

**Business Highlights & Services**

BMW Ventures Limited is a diversified player engaged in the trading and distribution of steel products, tractor engines and spare parts, along with manufacturing of PVC pipes, roll forming, and the fabrication of pre-engineered buildings (PEBs) and steel girders. The company has established a robust dealer network across Bihar, distributing long and flat steel products, tractor engines, and PVC pipes, while PEBs and steel girders are catered through institutional sales. With exclusive distributorship rights from its primary supplier, BMW Ventures supplies steel products through 1,299 dealers spanning 29 of Bihar's 38 districts, supported by six strategically located stockyards (one in Purnea and five in Patna) equipped with logistics and material handling capabilities. The product portfolio includes TMT bars, galvanized and color-coated sheets, HR and CR sheets, GP sheets, structural hollow sections, wires, pipes, agricultural tools, and steel doors and windows, serving key end-use sectors such as construction, automotive, and engineering.

Steel distribution is the company's core business, contributing 98.43% of revenue in Fiscal 2025 (97.56% in Fiscal 2024 and 98.10% in Fiscal 2023), underscoring its dominant position in the market. Other segments, including tractor engine distribution, PVC pipes, and fabrication of PEBs and steel girders, collectively contributed the balance, reflecting diversification and incremental growth opportunities. Leveraging over two decades of experience, BMW Ventures has expanded into value-added fabrication activities, including corrugation of GC and color-coated sheets and cut-to-length services for HR and GP sheets. The company is also an RDSO-approved fabricator for steel girders, ensuring high-quality and compliant deliverables.



With strong supplier relationships, an extensive distribution network, and operational efficiency through owned and third-party logistics, BMW Ventures is strategically positioned to sustain leadership in Bihar's steel distribution market while scaling its fabrication and diversification initiatives for long-term growth.

According to the CRISIL Report, BMW Ventures Limited held 19% share of the TMT bars market in Bihar in Fiscal 2024, underscoring its strong leadership position, while the remaining 81% (~0.87 MTPA) is distributed among other brands such as Kamdhenu, Balmukund, and Captain. The company's market leadership has been built on consistent focus across key levers product quality, innovation, customer service, competitive pricing, and effective distribution. As the exclusive distributor of its primary supplier in Bihar, BMW Ventures benefits from a unique positioning that provides both scale and exclusivity, enabling it to expand its reach beyond the current 29 districts into the remaining markets across the state.

Bihar's steel demand grew at a CAGR of 8.3% during fiscals 2018-2023 to 1.7 million tonnes, supported by strong recovery in infrastructure and housing construction post-pandemic. Although demand in Fiscal 2024 declined 8.6% YoY to 1.5 million tonnes due to weak sales and adverse weather conditions, the medium-term outlook remains robust. CRISIL expects steel demand in Bihar to grow at a steady CAGR of 8.5-9.5% over fiscals 2024-2028, reaching 2.1-2.2 million tonnes, driven by increased infrastructure spending under central government initiatives such as PM Gati Shakti, Pradhan Mantri Gram Sadak Yojana, and Bharatmala. Within this, demand for TMT reinforcement bars—the company's core product—is also expected to grow at 8.5-9.5% CAGR over the same period, supported by structural tailwinds in infrastructure and housing. With a proven ability to capture market share, a strong exclusive distributorship model, and favorable demand dynamics, BMW Ventures is strategically positioned to consolidate its leadership in Bihar's steel market and deliver sustained growth in line with the state's infrastructure-led economic expansion.

BMW Ventures Limited holds exclusive distributorship rights for long and flat steel products from its Primary Supplier, serving over 1,250 dealers and institutional buyers in Bihar. Backed by promoters with over a decade of industry expertise, the company has consistently expanded its scale and market presence, supported by strong supplier relationships and professional management. As of March 31, 2025, it employs 639 people, including a 124 member marketing team led by Promoter and Managing Director, Mr. Nitin Kishorepuria. With an experienced board, robust governance, and a dual marketing strategy combining dealer collaboration and direct customer engagement, BMW Ventures is well positioned to sustain its market leadership and capture future growth opportunities.

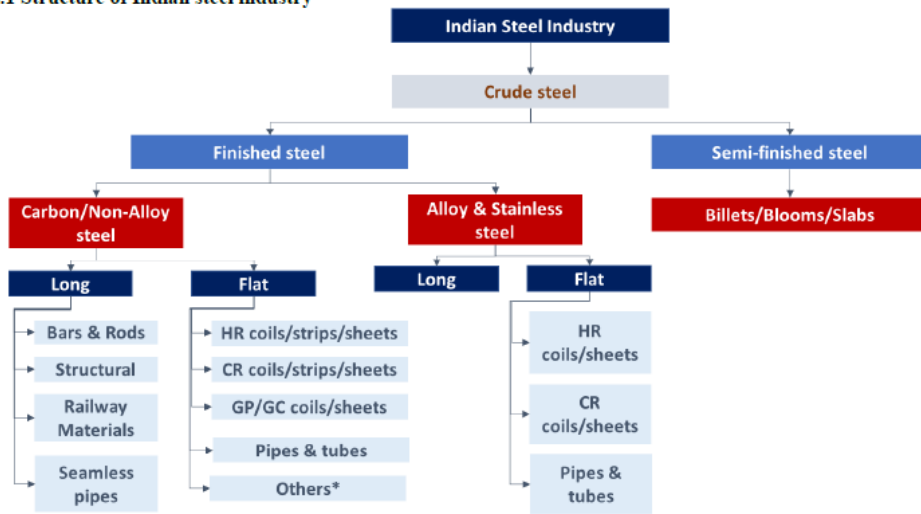
### Segmental Breakup

Business Segment	FY25		FY24		FY23	
	Amt (in Cr)	%	Amt (in Cr)	%	Amt (in Cr)	%
<b>Distribution of Steel Product</b>						
Revenue	2030	98.4%	1891	97.6%	1977	98.1%
<b>Distribution of Tractor Engine</b>						
Revenue	11	0.6%	172	0.9%	25	1.2%
<b>Manufacturing</b>						
PVC PIPE	0.72	0.03%	2	0.1%	3	0.2%
Roll Forming (GP Sheet Blue Diamond)	3	0.14%	3	0.1%	4	0.2%
<b>Fabrication</b>						
Pre-Engineered Buildings	7	0.4%	11	0.6%	1	0.1%
Steel Girders			5	0.3%		
<b>Other</b>						
Handling & Bending Charges	3		4		5	
Rental Income	3		2			
Conversion Charges-Purnea			3		0.20	
Conversion Charges - PEB	3					
Total Other Revenue	10	0.5%	10	0.5%	5	0.3%
<b>Total</b>	<b>2062</b>	<b>100.0%</b>	<b>573</b>	<b>100.0%</b>	<b>2015</b>	<b>100.0%</b>



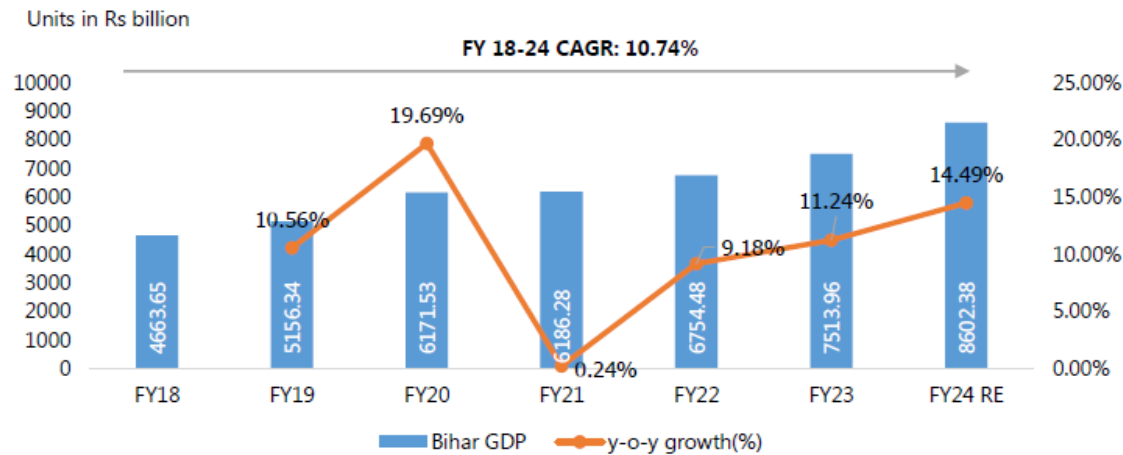
## Steel Industry Structure

### 4.1 Structure of Indian steel industry

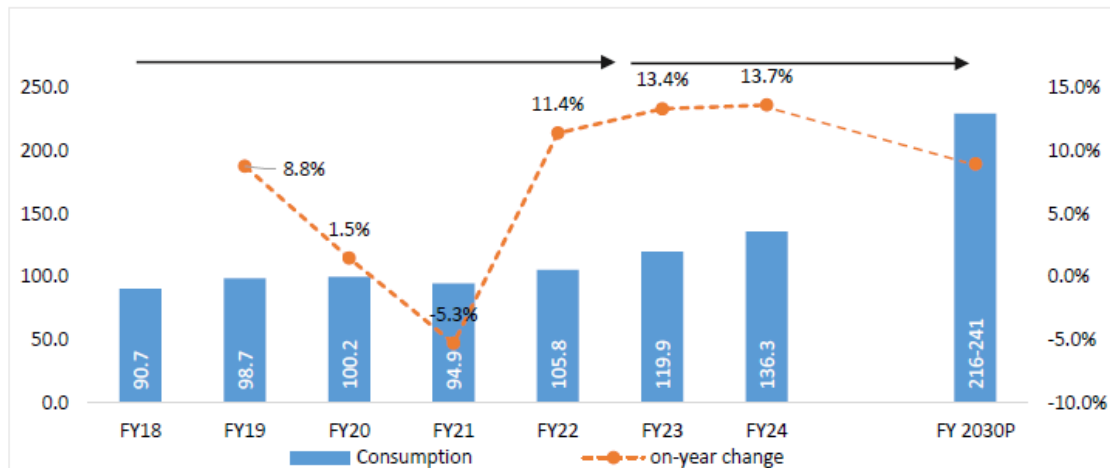


## Industry Outlook

### Bihar's GDP trend



### Domestic steel consumption (MT)



[Peers Comparisons](#)

Name of the company	Face Value (₹)	Total Revenue (In Cr)	EPS	P/E (x)	RoNW(%)
BMW Ventures Ltd	10	2,067	5.18	NA	16.54
Peers Group					
Shiv Aum Steel Ltd	10	555	7.11	43.46	8.36

[Company's Competitive Strength](#)

- Experience of the promoters and established relationship with the principal supplier.
- Relationship with established players in industry.
- Selling and Distribution network.

[Key Strategies Implemented by Company](#)

- Increase in distribution of Steel Products in Bihar.

Particular (INR in Cr)	FY25	FY24	FY23
Equity Capital	63	63	16
Reserves and Surplus	147	123	141
Net Worth	210	187	156
Revenue	2,062	1,938	2,015
Growth (%)	6%	-4%	
EBITDA	82	69	65
EBITDAM (%)	4.0%	3.5%	3%
PAT	33	30	33
PATM (%)	1.6%	1.5%	1.6%
ROE (%)	19%	24%	24%
ROCE (%)	13%	12%	14%



## Notes

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